#### 103D CONGRESS 1ST SESSION

# H. R. 2856

To increase the overall economy and efficiency of Government operations and enable more efficient use of Federal funding, by authorizing a demonstration program that enables local governments and private, not-for-profit organizations to use amounts available under certain Federal assistance programs in accordance with approved integrated assistance plans.

### IN THE HOUSE OF REPRESENTATIVES

AUGUST 4, 1993

Mr. Conyers (for himself and Mr. Clinger) introduced the following bill; which was referred to the Committee on Government Operations

# A BILL

To increase the overall economy and efficiency of Government operations and enable more efficient use of Federal funding, by authorizing a demonstration program that enables local governments and private, not-for-profit organizations to use amounts available under certain Federal assistance programs in accordance with approved integrated assistance plans.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 **SECTION 1. SHORT TITLE.**
- 4 This Act may be cited as the "Local Flexibility Act
- 5 of 1993".

#### SEC. 2. PURPOSES.

- 2 The purposes of this Act are the following:
- 3 (1) To encourage the integration of Federal
- 4 programs by local governments and private, not-for-
- 5 profit organizations, when such integration would
- 6 further the goals and objectives of the grant pro-
- 7 grams integrated.
- 8 (2) To enable more efficient use of Federal,
- 9 State, and local resources.
- 10 (3) To enable local governments and private,
- 11 not-for-profit organizations to adapt programs of
- Federal assistance to the particular needs of low-in-
- come citizens and the operating practices of recipi-
- ents, by drawing upon appropriations available from
- more than one Federal program and by integrating
- programs and program funds across existing Federal
- 17 assistance categories.
- 18 SEC. 3. PROVISION OF FEDERAL ASSISTANCE IN ACCORD-
- 19 ANCE WITH APPROVED INTEGRATED ASSIST-
- 20 ANCE PLAN.
- 21 (a) Payments to Local Governments.—Notwith-
- 22 standing any other provision of law, amounts available to
- 23 a local government or a qualified organization under a cov-
- 24 ered Federal assistance program included in an approved
- 25 integrated assistance plan shall be provided to and used

1	by the local government or organization in accordance
2	with that approved integrated assistance plan.
3	(b) Eligibility for Benefits.—An individual or
4	family that is eligible for benefits or services under a cov-
5	ered Federal assistance program included in an approved
6	integrated assistance plan may receive those benefits only
7	in accordance with the plan.
8	SEC. 4. APPLICATION FOR APPROVAL OF INTEGRATED AS-
9	SISTANCE PLAN.
10	(a) IN GENERAL.—A local government may submit
11	to the Interagency Review Council in accordance with this
12	section an application for approval of an integrated assist-
13	ance plan.
14	(b) Contents of Application.—An application
15	submitted under this section shall include—
16	(1) a proposed integrated assistance plan that
17	complies with subsection (c);
18	(2) certification by the chief executive of the
19	local government, and such additional assurances as
20	may be required by the Interagency Review Council,
21	that—
22	(A) the local government has the ability
23	and authority to implement the proposed plan,
24	either directly or through contractual or other

1	arrangements, throughout the geographic area
2	in which the proposed plan is intended to apply;
3	(B) amounts are available from non-Fed-
4	eral sources to pay the non-Federal share of all
5	covered Federal assistance programs included
6	in the proposed plan; and
7	(C) low income individuals and families
8	that reside in that geographic area participated
9	in the development of the proposed plan;
10	(3) any comments on the proposed plan submit-
11	ted under subsection (d) by the Governor of the
12	State of the local government; and
13	(4) any other information the Interagency Re-
14	view Council may require to approve the proposed
15	plan.
16	(c) Contents of Plan.—An integrated assistance
17	plan submitted by a local government under this section
18	shall include the following:
19	(1) Geographic area.—The geographic area
20	to which the plan applies and the rationale for so de-
21	fining the area.
22	(2) RECIPIENTS.—The particular groups of in-
23	dividuals, by age, service needs, economic cir-
24	cumstances, or other defining factors, who will re-
25	ceive services and benefits under the plan.

- (3) Goals and performance criteria.—

  Specific goals and measurable performance criteria, a description of how the plan is expected to attain those goals and criteria, a description of how performance will be measured, and a system for the comprehensive evaluation of the impact of the plan on participants, the community, and program costs.
  - (4) Public participation.—Elements that will assist individuals and families who will receive benefits under the plan to participate actively in developing both long- and short-range plans for benefits provided under the plan and in deciding other matters, including—
    - (A) the scope of services necessary and desired to meet the full range of the individuals' or families' needs,
      - (B) the choice of provider, and
    - (C) any other choices affecting the service design for that individual or family.
  - (5) COVERED FEDERAL ASSISTANCE PROGRAMS.—The eligible Federal assistance programs to be included in the plan as covered Federal assistance programs and the specific benefits that will be provided under the plan pursuant to those programs, including criteria for determining eligibility for bene-

- fits under the plan, the services available, the amounts and form (such as cash, in-kind contributions, or financial instruments) of non-service benefits, and any other descriptive information the Interagency Review Council considers necessary to approve the plan.
  - (6) FEDERAL REQUIREMENTS TO BE WAIVED.—Any Federal statutory or regulatory requirement applicable under a covered Federal assistance program included in the plan, the waiver of which is necessary to implement the plan.
  - (7) FISCAL CONTROL AND ACCOUNTABILITY.— Fiscal control and related accountability procedures applicable under the plan.
  - (8) Sources of Non-Federal funds.—A description of the sources of all non-Federal funds that are required to carry out covered Federal assistance programs included in the plan.
  - (9) CONSENT OF QUALIFIED ORGANIZATIONS.— Written consent from each qualified organization for which consent is required under section 5(b)(2).
  - (10) OTHER INFORMATION.—Any other information the Interagency Review Council may require to approve the plan.
- 25 (d) Procedure for Applying.—

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1	(1) Submission to Governor—To apply for
2	approval of an integrated assistance plan, a local
3	government shall submit an application in accord-
4	ance with this section to the Governor of the State
5	in which the local government is located.
6	(2) Submission by Governor.—A Governor
7	who receives an application from a local government
8	under paragraph (1) shall, by not later than 30 days
9	after the date of that receipt—
10	(A) prepare comments on the proposed in-
11	tegrated assistance plan included in the applica-
12	tion; and
13	(B) submit the application and comments
14	to the Interagency Review Council.
15	SEC. 5. REVIEW AND APPROVAL OF INTEGRATED ASSIST-
16	ANCE PLANS.
17	(a) REVIEW OF APPLICATIONS.—Upon receipt of an
18	application for approval of an integrated assistance plan
19	under this Act, the Interagency Review Council shall—
20	(1) approve or disapprove the plan within 45
21	days after receipt of the application;
22	(2) notify the applicant in writing of that ap-
23	proval or disapproval by not later than 15 days after

1 (3) in the case of any disapproval of a plan, in-2 clude a written justification of the reasons for dis-3 approval in the notice of disapproval sent to the 4 applicant.

# (b) Approval.—

- (1) REQUIREMENTS.—The Interagency Review Council may approve an integrated assistance plan for which an application is submitted under this Act, or any part of such a plan, if a majority of members of the Council determines that—
  - (A) the plan or part will improve the effectiveness and efficiency of providing benefits under covered Federal programs included in the plan by reducing administrative rigidity, duplication, and unnecessary expenditures;
  - (B) the applicant local government has adequately considered, and the plan or part appropriately addresses, any effect that administration of each covered Federal program under the plan or part will have on administration of the other covered Federal programs under that plan or part;
  - (C) the applicant local government has or is developing data bases, planning, and evalua-

1	tion processes that are adequate for implement-
2	ing the plan or part;
3	(D) implementation of the plan or part will
4	adequately achieve the purposes of this Act and
5	of each covered Federal assistance program
6	under the plan or part;
7	(E) the plan and the application for ap-
8	proval of the plan comply with the requirements
9	of this Act;
10	(F) the plan or part is adequate to ensure
11	that individuals and families that receive bene-
12	fits under covered Federal assistance programs
13	included in the plan or part will continue to re-
14	ceive benefits that meet the needs intended to
15	be met under the program; and
16	(G) the level of those benefits will not be
17	reduced for any individual or family.
18	(2) Limitations.—The Interagency Review
19	Council may not approve any part of an integrated
20	assistance plan if—
21	(A) implementation of that part would re-
22	sult in any increase in the total amount of obli-
23	gations or outlays of discretionary appropria-
24	tions or direct spending under covered Federal
25	assistance programs included in that part, over

- the amounts of such obligations and outlays that would occur under those programs without implementation of the part; or
  - (B) in the case of a plan or part that applies to assistance to a qualified organization under an eligible Federal assistance program, the qualified organization does not consent in writing to the receipt of that assistance in accordance with the plan.
  - (3) DISAPPROVAL OF PART OF PLAN REQUIRED.—The Interagency Review Council shall disapprove a part of an integrated assistance plan if a majority of the Council disapproves that part of the plan based on a failure of the part to comply with paragraph (1).
  - (4) Period of approved plan.—In approving any part of an integrated assistance plan, the Interagency Review Council shall specify the period during which the part is effective. An approved integrated assistance plan shall not be effective after the date of the termination of effectiveness of this Act under section 11(a).
  - (5) ELIGIBILITY UNDER FEDERAL PROGRAMS NOT AFFECTED.—Disapproval by the Interagency Review Council of any part of an integrated assist-

ance plan submitted by a local government under this Act shall not affect the eligibility of a local government, a qualified organization, or any individual for benefits under any Federal program.

# (c) Memoranda of Understanding.—

- (1) IN GENERAL.—The Interagency Review Council may not approve a part of an integrated Federal assistance plan unless each local government and each qualified organization that would receive assistance under the plan enters into a memorandum of understanding under this subsection with the Interagency Review Council.
- (2) Terms.—A memorandum of understanding under this subsection shall specify all understandings that have been reached by the Interagency Review Council, the local government, and each qualified organization that is subject to an integrated assistance plan, regarding the approval and implementation of all parts of an integrated assistance plan that are the subject of the memorandum, including with respect to—
  - (A) all requirements under covered Federal assistance programs that are to be waived by the Interagency Review Council pursuant to section 6(b);

- 1 (B) the total amount of Federal funds that
  2 will be provided as benefits under or used to ad3 minister covered Federal assistance programs
  4 included in those parts, or a mechanism for de5 termining that amount, including specification
  6 of the total amount of Federal funds that will
  7 be provided or used under each covered Federal
  8 assistance program included in those parts;
  - (C) the sources of all non-Federal funds that will be provided as benefits under or used to administer those parts;
  - (D) measurable performance criteria that will be used during the term of those parts to determine the extent to which the goals and performance levels of the parts are achieved; and
- 17 (E) the data to be collected to make that determination.
- 19 (d) Limitation on Confidentiality Require-20 Ments.—The Interagency Review Council may not, as a 21 condition of approval of any part of an integrated assist-22 ance plan or with respect to the implementation of any 23 part of an approved integrated assistance plan, establish 24 any confidentiality requirement which would—

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1	(1) impede the exchange of information needed
2	for the design or provision of benefits under the
3	parts; or
4	(2) conflict with existing law.
5	SEC. 6. IMPLEMENTATION OF APPROVED INTEGRATED AS-
6	SISTANCE PLANS; WAIVER OF REQUIRE-
7	MENTS.
8	(a) PAYMENTS AND ADMINISTRATION IN ACCORD-
9	ANCE WITH PLAN.—Notwithstanding any other law, any
10	benefit which is provided under a covered Federal assist-
11	ance program included in an approved integrated assist-
12	ance plan shall be paid and administered in the manner
13	specified in the approved integrated assistance plan.
14	(b) Waiver of Requirements.—
15	(1) IN GENERAL.—Notwithstanding any other
16	law and subject to paragraphs (2) and (3), the
17	Interagency Review Council may waive any require-
18	ment applicable under Federal law to the adminis-
19	tration of, or provision of benefits under, any cov-
20	ered Federal assistance program included in an ap-
21	proved integrated assistance plan, if that waiver is—
22	(A) reasonably necessary for the implemen-
23	tation of the plan; and
24	(B) approved by a majority of members of
25	the Interagency Review Council.

1	(2) Finding required.—The Interagency Re-
2	view Council may not waive a requirement under
3	this subsection unless the Council finds that waiver
4	of the requirement will not result in a reduction in
5	services or benefits for any individual or family that
6	is eligible for benefits under a covered Federal
7	assistance program.
8	(3) Limitations.—The Interagency Review
9	Council may not under this subsection waive any re-
10	quirement—
11	(A) that is established by statute or regu-
12	lation under—
13	(i) title VI of the Civil Rights Act of
14	1964 (42 U.S.C. 2000d et seq.);
15	(ii) section 504 of the Rehabilitation
16	Act of 1973 (29 U.S.C. 701 et seq.);
17	(iii) title IX of the Education Amend-
18	ments of 1972 (86 Stat. 373 et seq.);
19	(iv) the Age Discrimination Act of
20	1975 (42 U.S.C. 6101 et seq.); or
21	(v) the Americans With Disabilities
22	Act of 1990; or
23	(B) for payment of a non-Federal share of
24	funding of an activity under a covered Federal
25	assistance program.

1	(c) Special Assistance.—To the extent otherwise
2	permitted by law, the head of each Federal agency shall
3	seek to provide special assistance to a local government
4	to support implementation of an approved integrated as-
5	sistance plan, including expedited processing, priority
6	funding, and technical assistance.
7	(d) Evaluation and Termination.—
8	(1) IN GENERAL.—A local government, in ac-
9	cordance with regulations issued by the Interagency
10	Review Council, shall—
11	(A) submit such reports on and cooperate
12	in such audits of the implementation of its ap-
13	proved integrated assistance program; and
14	(B) periodically evaluate the effect imple-
15	mentation of the plan has had on-
16	(i) individuals who receive benefits
17	under the plan;
18	(ii) communities where those individ-
19	uals live; and
20	(iii) costs of administering covered
21	Federal assistance programs included in
22	the plan.
23	(2) ANNUAL REPORTS.—Not later than 90 days
24	after the end of the 1-year period beginning on the
25	date of the approval by the Interagency Review

Council of an approved integrated assistance plan of a local government, and annually thereafter, the local government shall submit to the Interagency Review Council a report on the principal activities and achievements under the plan during the period covered by the report, comparing those achievements to the goals and performance criteria included in the plan pursuant to section 4(c)(3).

# (3) TERMINATION OF PLAN.—

- (A) IN GENERAL.—If the Interagency Review Council, after consultation with the head of each Federal agency responsible for administering a covered Federal assistance program included in an approved integrated assistance plan of a local government, determines—
  - (i) the goals and performance criteria included in the plan pursuant to section 4(c)(3) have not been met; and
  - (ii) after considering any experiences gained in implementation of the plan, that those goals and criteria are sound;

the Interagency Review Council may terminate the effectiveness of the plan.

(B) Timing.—In terminating the effectiveness of an approved integrated assistance plan

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under this paragraph, the Interagency Review
Council shall allow a reasonable period of time
for appropriate Federal, State, and local agencies, and qualified organizations to resume administration of Federal programs that are covered Federal assistance programs included in
the plan.

# (e) Final Report; Extension of Plans.—

- (1) Final report of local government.—
  Not later than 45 days after the end of the effective period of an approved integrated assistance plan of a local government, or at any time that the local government determines that the plan has demonstrated its worth and proven to be a superior way to provide benefits under covered Federal assistance programs included in the plan, the local government shall submit to the Interagency Review Council a final report on its implementation of the plan, including a full evaluation of the successes and shortcomings of the plan and the effects of that implementation on individuals who receive benefits under those programs.
- (2) EXTENSION OF PLAN.—The Interagency Review Council may extend the effective period of an approved integrated assistance plan for such period

1	as may be appropriate, based on the report of a local
2	government under paragraph (1).
3	SEC. 7. COMMUNITY ADVISORY COMMITTEES.
4	(a) ESTABLISHMENT.—A local government that ap-
5	plies for approval of an integrated assistance plan under
6	this Act shall establish a Community Advisory Committee
7	in accordance with this section.
8	(b) Functions.—A Community Advisory Committee
9	shall advise a local government in the development and
10	implementation of its integrated assistance plan, including
11	with respect to—
12	(1) conducting public hearings;
13	(2) representing the interest of low income indi-
14	viduals and families; and
15	(3) reviewing and commenting on all commu-
16	nity policies, programs, and actions under the plan
17	which affect low income individuals and families
18	with the purpose of assuring maximum coordination
19	and responsiveness of the plan in providing benefits
20	under the plan to those individuals and families.
21	(c) Membership.—The membership of a Community
22	Advisory Committee shall—
23	(1) consist of—
24	(A) low income individuals, who shall—

1	(i) comprise at least one-third of the
2	membership, and
3	(ii) include minority individuals who
4	are participants or who qualify to partici-
5	pate in eligible Federal assistance pro-
6	grams;
7	(B) representatives of low income individ-
8	uals and families;
9	(C) persons with leadership experience in
10	the private and voluntary sectors;
11	(D) local elected officials; and
12	(E) the general public; and
13	(2) include individuals and representatives of
14	community organizations who will help to enhance
15	the leadership role of the local government in devel-
16	oping an integrated assistance plan.
17	(d) Opportunity for Review and Comment by
18	COMMITTEE.—Before submitting an application for ap-
19	proval of a final proposed integrated assistance plan, a
20	local government shall submit the final proposed plan for
21	review and comment by a Community Advisory Committee
22	established by the local government.
23	SEC. 8. TECHNICAL AND OTHER ASSISTANCE.
24	(a) TECHNICAL ASSISTANCE.—

1	(1) In GENERAL.—The Interagency Review
2	Council may provide, or direct that the head of a
3	Federal agency provide, technical assistance to a
4	local government in developing information nec-
5	essary for the design or implementation of an inte-
6	grated assistance plan.
7	(2) Request and assurances.—Assistance
8	may be provided under this subsection only upon re-
9	ceipt of a request from a local government that in-
10	cludes, in accordance with requirements established
11	by the Interagency Review Council—
12	(A) a description of the nature of the inte-
13	grated assistance plan the local government
14	proposes to develop;
15	(B) the groups of individuals to whom ben-
16	efits will be provided under covered Federal as-
17	sistance programs included in the plan; and
18	(C) such assurances as the Interagency
19	Review Council may require that—
20	(i) in the development of the applica-
21	tion to be submitted under this Act for ap-
22	proval of the plan, the local government
23	will provide adequate opportunities to par-
24	ticipate to—

1	(I) low income individuals and
2	families that will receive benefits
3	under covered Federal assistance pro-
4	grams included in the plan; and
5	(II) governmental agencies that
6	administer those programs; and
7	(ii) the plan will be developed only
8	after considering fully—
9	(I) needs expressed by those indi-
10	viduals and families;
11	(II) community priorities; and
12	(III) available governmental re-
13	sources in the geographic area to
14	which the plan will apply.
15	(b) Details to Council.—At the request of the
16	Chairman of the Interagency Review Council and with the
17	approval of the Secretary of a department, staff of the
18	department may be detailed to the Interagency Review
19	Council on a nonreimbursable basis.
20	SEC. 9. INTERAGENCY REVIEW COUNCIL.
21	(a) Composition.—There is established the Inter-
22	agency Review Council, which shall be comprised of—
23	(1) the Secretary of Agriculture;
24	(2) the Attorney General of the United States;
25	(3) the Secretary of Education;

1	(4) the Secretary of Health and Human Serv-
2	ices;
3	(5) the Secretary of Housing and Urban Devel-
4	opment;
5	(6) the Secretary of Labor;
6	(7) the Secretary of the Interior;
7	(8) the Secretary of Commerce;
8	(9) the Secretary of Transportation;
9	(10) the Administrator of the Environmental
10	Protection Agency; and
11	(11) an individual appointed by the President,
12	who shall serve as Chairperson of the Interagency
13	Review Council.
14	(b) Functions.—The Interagency Review Council
15	shall—
16	(1) receive, review, and approve or disapprove
17	integrated assistance plans for which approval is ap-
18	plied under this Act;
19	(2) upon request from an applicant for such ap-
20	proval, direct the head of an agency which admin-
21	isters a covered Federal assistance program under
22	which the preponderance of Federal assistance would
23	be provided under the plan to provide technical as-
24	sistance to the applicant;

1	(3) monitor the progress of development and
2	implementation of integrated assistance plans;
3	(4) perform such other functions as are as-
4	signed to the Interagency Review Council by this
5	Act; and
6	(5) issue regulations to implement this Act
7	within 180 days after the date of its enactment.
8	SEC. 10. DEFINITIONS.
9	In this Act:
10	(1) Approved integrated assistance
11	PLAN.—The term "approved integrated assistance
12	plan'' means an integrated assistance plan, or any
13	part of such a plan, that is approved by the Inter-
14	agency Review Council under section 5.
15	(2) Community advisory committee.—The
16	term "Community Advisory Committee" means such
17	a council established by a local government in ac-
18	cordance with section 7.
19	(3) Covered federal assistance pro-
20	GRAM.—The term "covered Federal assistance pro-
21	gram'' means an eligible Federal assistance program
22	that is included in an integrated assistance plan of

a local government.

1	(4) Eligible federal assistance pro-
2	GRAM.—The term "eligible Federal assistance pro-
3	gram''—
4	(A) means any Federal program under
5	which assistance is available, directly or indi-
6	rectly, to a local government or a qualified or-
7	ganization to carry out a program for—
8	(i) education,
9	(ii) employment training,
10	(iii) health,
11	(iv) housing,
12	(v) nutrition, or
13	(vi) other social services; and
14	(B) does not include any Federal program
15	under which assistance is provided by the Fed-
16	eral Government directly to a beneficiary of
17	that assistance.
18	(5) Eligible local government.—The term
19	"eligible local government" means a local govern-
20	ment that is eligible to receive assistance under 1 or
21	more covered Federal programs.
22	(6) Interagency review council.—The
23	term "Interagency Review Council" means such
24	council established under section 9.

- 1 (7) INTEGRATED ASSISTANCE PLAN.—The term
  2 "integrated assistance plan" means a comprehensive
  3 plan for the integration and administration by a
  4 local government of assistance provided by the Fed5 eral Government under 2 or more eligible Federal
  6 assistance programs.
  - (8) LOCAL GOVERNMENT.—The term "local government" means any subdivision of a State that is a unit of general local government (as that term is defined in section 6501 of title 31, United States Code);
  - (9) Low income.—The term "low income" means having an income that is not greater than 200 percent of the Federal poverty income level.
  - (10) Priority funding.—The term "priority funding" means giving higher priority (including by the assignment of extra points, if applicable) to applications for Federal assistance submitted by a local government having an approved integrated assistance program, by a person located in the jurisdiction of such a government, or by a qualified organization eligible for assistance under a covered Federal assistance program included in such a plan.
  - (11) QUALIFIED ORGANIZATION.—The term "qualified organization" means any private, not-for-

1	profit organization that is exempt from taxation
2	under section 501(c)(3) of the Internal Revenue
3	Code of 1986 (26 U.S.C. 501(c)(3)).
4	(12) STATE.—The term "State" means the 50
5	States, the District of Columbia, Puerto Rico, Amer-
6	ican Samoa, Guam, and the Virgin Islands.
7	SEC. 11. TERMINATION AND REPEAL; REPORT.
8	(a) TERMINATION AND REPEAL.—This Act shall not
9	be effective after, and is repealed on, the date that is 5
10	years after the date of its enactment.
11	(b) Report.—The Comptroller General of the Unit-
12	ed States shall submit to the Congress, by no later than
13	4 years after the date of the enactment of this Act, a
14	report that—
15	(1) describes the extent to which local govern-
16	ments have established and implemented approved
17	integrated assistance plans,
18	(2) evaluates the effectiveness of covered Fed-
19	eral assistance programs included in approved inte-
20	grated assistance plans, and
21	(3) includes recommendations with respect to
22	continuing integrated assistance.

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